

Katrina GROUP LTD.

Incorporated in the Republic of Singapore
Registration No. 201608344N

The Company is required under Catalist Rule 705(2) to report its financial statements quarterly.

This announcement has been reviewed by the Company's Sponsor, Hong Leong Finance Limited. It has not been examined or approved by the Exchange and the Exchange assumes no responsibility for the contents of this announcement, including the correctness of any of the statements or opinions made or reports contained in this announcement.

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UNAUDITED FINANCIAL STATEMENTS FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2024

A. Condensed interim consolidated statement of profit or loss and other comprehensive income

	3 months ended 31 December		Increase/ (Decrease) %	12 months ended 31 December		Increase/ (Decrease) %
	2024 \$'000 (Unaudited)	2023 \$'000 (Unaudited)		2024 \$'000 (Unaudited)	2023 \$'000 (Audited)	
Revenue	12,790	14,674	(12.8)	54,728	59,315	(7.7)
Cost of sales	(11,092)	(12,411)	(10.6)	(47,085)	(51,500)	(8.6)
Gross profit	1,698	2,263	(25.0)	7,643	7,815	(2.2)
Other income	207	228	(9.2)	1,571	1,217	29.1
Selling and distribution costs	(222)	(228)	(2.6)	(802)	(790)	1.5
Administrative expenses	(1,052)	(1,487)	(29.3)	(5,377)	(6,143)	(12.5)
Finance costs	(532)	(914)	(41.8)	(2,327)	(2,782)	(16.4)
Other gains/(expenses)	92	(798)	N.M.	1,609	(1,098)	N.M.
Share of loss from investment in a joint venture	(38)	–	N.M.	(10)	–	N.M.
Profit/(loss) before tax	153	(936)	N.M.	2,307	(1,781)	N.M.
Income tax credit/(expense)	–	513	(100.0)	(1)	433	N.M.
Profit/(loss) for the period, representing profit/(loss) for the period attributable to owners of the Company	153	(423)	N.M.	2,306	(1,348)	N.M.
Other comprehensive income:						
<i>Items that may be reclassified subsequently to profit or loss</i>						
Foreign currency translation	2	5	(60.0)	7	(1)	N.M.
Other comprehensive income for the period, net of tax	2	5	(60.0)	7	(1)	N.M.
Total comprehensive income for the period, representing total comprehensive income attributable to owners of the Company	155	(418)	N.M.	2,313	(1,349)	N.M.
Earnings per share for profit/(loss) for the period attributable to the owners of the Company during the year:						
Basic (SGD in cents)	0.06	(0.18)		0.98	(0.58)	
Diluted (SGD in cents)	0.05	(0.15)		0.73	(0.46)	

Note:

1. "N.M." denotes not meaningful.

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B. Condensed interim statements of financial position

	Note	Group		Company	
		31 December 2024 \$'000 (Unaudited)	31 December 2023 \$'000 (Audited)	31 December 2024 \$'000 (Unaudited)	31 December 2023 \$'000 (Audited)
ASSETS					
Non-current assets					
Property, plant and equipment	9	3,839	4,193	1	3
Right-of-use assets	10	21,760	27,765	–	–
Investment property		–	744	–	–
Investment in subsidiaries		–	–	7,781	6,061
Investment in joint venture		390	–	–	–
Deferred tax assets		425	425	–	–
Derivative instrument		464	–	–	–
Refundable deposits		3,238	3,708	–	–
		30,116	36,835	7,782	6,064
Current assets					
Inventories		171	139	–	–
Trade receivables		948	1,006	–	–
Other receivables		644	466	–	–
Refundable deposits		1,324	1,509	9	9
Prepayments		111	386	12	9
Amount due from a joint venture		8	120	–	–
Amounts due from subsidiaries		–	–	2,782	6,520
Other assets		–	2	–	2
Cash and bank balances		1,878	3,031	723	176
		5,084	6,659	3,526	6,716
Total assets		35,200	43,494	11,308	12,780
EQUITY AND LIABILITIES					
Current liabilities					
Trade and other payables		7,303	8,052	1,757	1,890
Amount due to a subsidiary		–	–	54	96
Amount due to a joint venture		2	–	–	–
Other liabilities		1,719	2,346	214	244
Lease liabilities	10	12,765	14,973	–	–
Provision	11	192	393	–	–
Contract liabilities		480	402	–	–
Provision for taxation		–	–	–	–
Loans and borrowings	12	1,671	3,299	–	–
		24,132	29,465	2,025	2,230
Net current (liabilities)/assets		(19,048)	(22,806)	1,501	4,486

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B. Condensed interim statements of financial position (Cont'd)

	Note	Group		Company	
		31 December 2024 \$'000 (Unaudited)	31 December 2023 \$'000 (Audited)	31 December 2024 \$'000 (Unaudited)	31 December 2023 \$'000 (Audited)
Non-current liabilities					
Other payables		92	92	–	–
Lease liabilities	10	14,247	19,047	–	–
Provisions	11	653	716	–	–
Deferred tax liabilities		–	–	–	–
Loans and borrowings	12	43	714	–	–
		15,035	20,569	–	–
Total liabilities		39,167	50,034	2,025	2,230
Net (liabilities)/assets		(3,967)	(6,540)	9,283	10,550
Equity attributable to owners of the Company					
Share capital	13	8,581	8,321	8,581	8,321
Warrant reserve		75	75	75	75
Foreign currency translation reserve		37	30	–	–
(Accumulated losses)/ Retained earnings		(12,660)	(14,966)	627	2,154
Total equity		(3,967)	(6,540)	9,283	10,550
Total equity and liabilities		35,200	43,494	11,308	12,780

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C. Condensed interim statements of changes in equity

	Attributable to owners of the Company				
	Share capital \$'000	Warrant reserve \$'000	Foreign currency translation reserve \$'000	Retained earnings \$'000	Total equity \$'000
Group (Unaudited)					
Opening balance at 1 January 2023	8,283	–	31	(13,618)	(5,304)
Issue of warrants net of transaction costs	–	75	–	–	75
Exercise of warrants	38	–	–	–	38
Loss for the period	–	–	–	(1,348)	(1,348)
<i>Other comprehensive income:</i>					
Foreign currency translation	–	–	4	–	4
Striking off of foreign subsidiary	–	–	(5)	–	(5)
Total comprehensive income for the period	–	–	(1)	(1,348)	(1,349)
Closing balance at 31 December 2023	8,321	75	30	(14,966)	(6,540)
Opening balance at 1 January 2024	8,321	75	30	(14,966)	(6,540)
Exercise of warrants	260	–	–	–	260
Profit for the period	–	–	–	2,306	2,306
<i>Other comprehensive income:</i>					
Foreign currency translation	–	–	7	–	7
Total comprehensive income for the period	–	–	7	2,306	2,313
Closing balance at 31 December 2024	8,581	75	37	(12,660)	(3,967)

C. Condensed interim statements of changes in equity (Cont'd)

	Attributable to owners of the Company			
	Share capital \$'000	Warrant reserve \$'000	Retained earnings \$'000	Total \$'000
Company (Unaudited)				
Opening balance at 1 January 2023	8,283	–	2,260	10,543
Issue of warrants net of transaction costs	–	75	–	75
Exercise of warrants	38	–	–	38
Loss for the period, representing total comprehensive income for the period	–	–	(106)	(106)
Closing balance at 31 December 2023	8,321	75	2,154	10,550
Opening balance at 1 January 2024	8,321	75	2,154	10,550
Exercise of warrants	260	–	–	260
Loss for the period, representing total comprehensive income for the period	–	–	(1,527)	(1,527)
Closing balance at 31 December 2024	8,581	75	627	9,283

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D. Condensed interim consolidated statement of cash flows

	3 months ended 31 December		12 months ended 31 December	
	2024 \$'000 (Unaudited)	2023 \$'000 (Unaudited)	2024 \$'000 (Unaudited)	2023 \$'000 (Audited)
Operating activities				
Profit/(loss) before tax	153	(936)	2,307	(1,781)
<u>Adjustments for:</u>				
Bad debts	(16)	42	(16)	42
Depreciation of property, plant and equipment	384	459	1,585	2,101
Depreciation of investment property	–	15	34	58
Depreciation of right-of-use assets	3,376	3,609	13,792	14,421
Finance costs	532	915	2,327	2,782
Fair value changes through profit or loss	(464)	–	(464)	–
Gain on disposal of investment property	–	–	(1,290)	–
Gain on disposal of property, plant and equipment	–	(1)	(6)	(1)
Interest income	(3)	(9)	(9)	(34)
Income from sub-lease	–	(40)	–	(40)
(Write back of)/impairment loss on property, plant and equipment	(491)	455	(491)	445
Impairment loss on right-of-use assets	886	263	641	448
Impairment of amount due from a joint venture	–	–	–	103
(Gain)/loss on early termination and modification of leases, net	(19)	39	(28)	45
Reversal of provision for restoration cost	(46)	–	(59)	(21)
Share of loss from investment in a joint venture	38	–	10	–
Write-off of property, plant and equipment	13	2	45	16
Currency realignment	2	8	7	(2)
Total adjustments	4,192	5,757	16,078	20,363
Operating cash flows before changes in working capital	4,345	4,821	18,385	18,582

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D. Condensed interim consolidated statement of cash flows (Cont'd)

	3 months ended 31 December		12 months ended 31 December	
	2024 \$'000 (Unaudited)	2023 \$'000 (Unaudited)	2024 \$'000 (Unaudited)	2023 \$'000 (Audited)
<u>Changes in working capital</u>				
Decrease/(increase) in:				
Inventories	(28)	20	(32)	7
Trade and other receivables	(50)	233	8	46
Refundable deposits	359	(23)	712	597
Prepayments	41	(7)	275	(126)
Other assets	2	–	2	(2)
(Decrease)/increase in:				
Trade and other payables	(412)	55	(712)	52
Other liabilities	(141)	188	(627)	(35)
Amount due to a joint venture	1	–	2	–
Contract liabilities	(41)	(95)	78	(381)
Total changes in working capital	(269)	371	(294)	158
Cash flows from operations	4,076	5,192	18,091	18,740
Income taxes received/(paid)	–	51	(1)	(3)
Interest received	3	9	9	34
Net cash flows generated from operating activities	4,079	5,252	18,099	18,771
Investing activities				
Purchase of property, plant and equipment ⁽²⁾	(1)	(102)	(662)	(1,495)
Cash paid for restoration cost	(160)	–	(334)	(137)
Proceeds from disposal of property, plant and equipment	–	1	6	1
Proceeds from disposal of investment property	–	–	2,000	–
Sub-lease income	–	40	–	40
Investment in joint venture	(80)	–	(400)	–
Net cash flows (used in)/generated from investing activities	(241)	(61)	610	(1,591)

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D. Condensed interim consolidated statement of cash flows (Cont'd)

	3 months ended 31 December		12 months ended 31 December	
	2024 \$'000 (Unaudited)	2023 \$'000 (Unaudited)	2024 \$'000 (Unaudited)	2023 \$'000 (Audited)
Financing activities				
Issuance of shares	255	38	260	38
Proceeds from issuance of warrants, net of transaction costs	–	75	–	75
Repayments of loan and borrowings	(328)	(480)	(2,299)	(2,707)
Interest paid	(12)	(49)	(122)	(245)
Lease payments	(4,157)	(4,575)	(17,651)	(17,880)
Restricted cash released	–	–	1,000	300
Loans from directors	–	–	–	1,330
Repayment of amounts due to directors	–	(200)	(50)	(250)
Net cash flows used in financing activities	(4,242)	(5,191)	(18,862)	(19,339)
Net change in cash and cash equivalents	(404)	–	(153)	(2,159)
Cash and cash equivalents at 1 October/January	2,282	2,031	2,031	4,190
Cash and cash equivalents at 31 December ⁽¹⁾	1,878	2,031	1,878	2,031

D. Condensed interim consolidated statement of cash flows (Cont'd)

Notes:

1. For the purpose of presenting the consolidated interim statement of cash flows, cash and cash equivalents comprise the following:

	12 months ended	
	31 December	
	2024	2023
	\$'000	\$'000
	(Unaudited)	(Audited)
Cash and bank balances	1,878	3,031
Less: Bank deposits pledged	–	(1,000)
Cash and cash equivalents per consolidated interim statement of cash flows	1,878	2,031

Bank deposits pledged pertains to amounts earmarked by the Group's principal banker in connection with facilities granted.

2. Property, plant and equipment

	12 months ended	
	31 December	
	2024	2023
	\$'000	\$'000
	(Unaudited)	(Audited)
Current period additions to property, plant and equipment	785	1,773
Less: Hire purchase	–	(76)
Less: Provision for restoration cost	(123)	(202)
Net cash outflow for purchase of property, plant and equipment	662	1,495

E. Notes to the condensed interim consolidated financial statements

1. Corporate information

Katrina Group Ltd. (the “**Company**”) is incorporated and domiciled in Singapore and is listed on the Singapore Exchange Securities Trading Limited. These condensed interim consolidated financial statements as at and for the twelve months ended 31 December 2024 (“**FY2024**”) comprise the Company and its subsidiaries (collectively, the “**Group**”).

The principal activity of the Company is that of investment holding.

The principal activities of the Group are:

- (a) restaurant operator; and
- (b) hospitality management.

2. Basis of preparation

The condensed interim financial statements for the fourth quarter and twelve months ended 31 December 2024 have been prepared in accordance with SFRS(I) 1-34 Interim Financial Reporting issued by the Accounting Standards Council Singapore. The condensed interim financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group’s financial position and performance of the Group since the last annual financial statements for the year ended 31 December 2023.

The accounting policies adopted and methods of computations are consistent with those of the previous financial year which were prepared in accordance with SFRS(I)s, except for the adoption of new and amended standards as set out in Note 2.1.

Fundamental accounting concept

The interim financial statements of the Group have been prepared on a going concern basis notwithstanding that the Group generated a net profit of \$2,306,000 (31 December 2023: loss of \$1,348,000) for the twelve months ended 31 December 2024. As of that date, the Group’s total liabilities and current liabilities exceeded its total assets and current assets by \$3,967,000 (31 December 2023: \$6,540,000) and \$19,048,000 (31 December 2023: \$22,806,000) respectively. These factors indicate the existence of a material uncertainty that may cast significant doubt about the Group’s ability to continue as going concern.

The directors are of the view that it is appropriate to prepare the Group’s interim financial statements on a going concern on the following bases:

- (a) the Group is expected to be able to generate sufficient cash flows from its operations to pay its liabilities as and when they fall due;
- (b) management intends to manage cashflow of the subsidiaries on an overall Group basis, where necessary;
- (c) there are no changes in the Group’s ability to request for the extension of credit terms granted by suppliers and the Group intends to adhere to the trade payables turnover days consistent with the current financial year; and
- (d) the controlling shareholder has indicated through a letter of undertaking to financially support the Group as and when required, for 15 months from 26 February 2025.

2. Basis of preparation (Cont'd)

The condensed interim financial statements are presented in Singapore dollar which is the Company's functional currency.

2.1. New and amended standards adopted by the Group

The Group has applied the same accounting policies and methods of computation in the financial statements for the current financial period compared with those of the audited financial statements as at 31 December 2023. The adoption of the new SFRS(I)s and amendments and interpretations of SFRS(I) which came into effect on 1 January 2024 did not have any material financial impact on the Group's results for FY2024.

2.2. Use of judgements and estimates

In preparing the condensed interim financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense.

Actual results may differ from these estimates.

The significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended 31 December 2023.

There were no other changes in estimates applied by the Group during the financial period.

Estimates and underlying assumptions are reviewed on an ongoing basis.

Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Information about critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements is included in the following notes:

- Note 10 – Right-of-use assets and lease liabilities

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next interim period are included in the following notes:

- Note 10 – Right-of-use assets and lease liabilities

3. Seasonal operations

The Group's businesses are not subject to any seasonal fluctuations although generally we experience higher sales during festive seasons and school holidays.

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4. Segment and revenue information

The Group is organised into the following main business segments:

- (a) Hospitality; and
- (b) Food and beverages.

4.1. Reportable segments

1 October to 31 December (Unaudited)	Hospitality		Food and beverages		Consolidated	
	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
<i>Revenue:</i>						
External customers	3,625	3,793	9,165	10,881	12,790	14,674
	3,625	3,793	9,165	10,881	12,790	14,674
<i>Results:</i>						
Interest income	–	3	3	6	3	9
Bad debts	16	(42)	–	–	16	(42)
Interest on loans and borrowings	–	(1)	(12)	(48)	(12)	(49)
Interest on finance lease liabilities	(253)	(356)	(318)	(503)	(571)	(859)
Income tax credit	–	513	–	–	–	513
Depreciation of property, plant and equipment	(176)	(218)	(208)	(241)	(384)	(459)
Depreciation of investment property	–	–	–	(15)	–	(15)
Depreciation of right-of-use assets	(1,266)	(1,281)	(2,111)	(2,328)	(3,377)	(3,609)
Write-off of property, plant and equipment	–	–	(13)	(2)	(13)	(2)
Write back of/(impairment loss) on property, plant and equipment	491	(455)	–	–	491	(455)
Impairment loss on right-of-use assets	(165)	(88)	(721)	(175)	(886)	(263)
Fair value changes through profit or loss	–	–	464	–	464	–
Gain/(loss) on early termination and modification of leases, net	–	–	19	(39)	19	(39)
Gain on disposal of property, plant and equipment	–	–	–	1	–	1
Reversal of provision for restoration cost	–	–	46	–	46	–
Share of results of joint venture	–	–	29	–	29	–
Segment net profit/(loss)	700	199	(547)	(622)	153	(423)

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4. Segment and revenue information (Cont'd)

1 January to 31 December (Unaudited)	Hospitality		Food and beverages		Consolidated	
	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
<i>Revenue:</i>						
External customers	16,532	17,247	38,196	42,068	54,728	59,315
	16,532	17,247	38,196	42,068	54,728	59,315
<i>Results:</i>						
Interest income	3	9	6	25	9	34
Bad debts	16	(42)	–	–	16	(42)
Interest on loans and borrowings	–	(22)	(122)	(223)	(122)	(245)
Interest on finance lease liabilities	(1,102)	(1,205)	(1,154)	(1,325)	(2,256)	(2,530)
Income tax (expense)/credit	(1)	432	–	1	(1)	433
Depreciation of property, plant and equipment	(732)	(867)	(853)	(1,234)	(1,585)	(2,101)
Depreciation of investment property	–	–	(34)	(58)	(34)	(58)
Depreciation of right-of-use assets	(5,055)	(4,913)	(8,738)	(9,508)	(13,793)	(14,421)
Write-off of property, plant and equipment	–	–	(45)	(16)	(45)	(16)
Write back of/(impairment loss) on property, plant and equipment	491	(455)	–	10	491	(445)
Impairment loss on right-of-use assets	(165)	(88)	(476)	(360)	(641)	(448)
Fair value changes through profit or loss	–	–	464	–	464	–
Gain/(loss) on early termination and modification of leases, net	3	–	25	(45)	28	(45)
Gain on disposal of investment property	–	–	1,290	–	1,290	–
Gain on disposal of property, plant and equipment	6	–	–	1	6	1
Impairment of amounts due from a joint venture	–	–	–	(103)	–	(103)
Reversal of provision for restoration cost	–	–	59	21	59	21
Share of results of joint venture	–	–	(10)	–	(10)	–
Segment net profit/(loss)	2,798	2,808	(492)	(4,156)	2,306	(1,348)

Segment breakdown for period ended 31 December 2024 and 2023 are as follows:

	Hospitality		Food and beverages		Consolidated	
	2024 \$'000 (Unaudited)	2023 \$'000 (Audited)	2024 \$'000 (Unaudited)	2023 \$'000 (Audited)	2024 \$'000 (Unaudited)	2023 \$'000 (Audited)
Segment assets:	15,633	20,883	19,567	22,611	35,200	43,494
Segment liabilities	(14,262)	(20,011)	(24,905)	(30,023)	(39,167)	(50,034)

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4. Segment and revenue information (Cont'd)

4.2. Disaggregation of revenue

Geographical information

The following table shows the distribution of the Group's revenue from external customers based on the location where goods are sold and services are delivered:

	3 months ended 31 December		12 months ended 31 December	
	2024 \$'000 (Unaudited)	2023 \$'000 (Unaudited)	2024 \$'000 (Unaudited)	2023 \$'000 (Audited)
Singapore	12,790	14,558	54,721	58,844
Indonesia	–	116	7	471
	<u>12,790</u>	<u>14,674</u>	<u>54,728</u>	<u>59,315</u>

A breakdown of sales and net profit/(loss) for the period:

	12 months ended 31 December		Increase/ (Decrease) %
	2024 \$'000 (Unaudited)	2023 \$'000 (Unaudited)	
Sales reported for the first half year	27,862	29,049	(4.1)
Profit/(loss) for the period, representing profit/(loss) for the period attributable to owners of the Company reported for first half year	15	(1,330)	N.M.
Sales reported for the second half year	26,866	30,266	(11.2)
Profit/(loss) for the period, representing profit/(loss) for the period attributable to owners of the Company reported for second half year	<u>2,291</u>	<u>(18)</u>	<u>N.M.</u>

The following table shows the distribution of the Group's non-current assets based on the geographical location of customers:

	31 December 2024 \$'000 (Unaudited)	31 December 2023 \$'000 (Audited)
Singapore	<u>26,453</u>	<u>32,702</u>

Non-current assets information presented above consists of property, plant and equipment, right-of-use assets, investment property, investment in joint venture, and derivative instrument presented in the condensed statement of financial position.

5. Profit/(loss) before taxation

5.1. Significant items

The Group's profit/(loss) before tax was arrived after crediting/(charging) the following:

	3 months ended		12 months ended	
	31 December		31 December	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
Income				
Government grants ¹	100	6	959	467
Rental rebates ²	15	40	97	53
Gain/(loss) on early termination and modification of leases, net	19	(39)	28	(45)
Gain on disposal of investment property	–	–	1,290	–
Gain on disposal of property, plant and equipment	–	1	6	1
Net investment in sub-lease	–	40	–	40
Interest income	3	9	9	34
Expenses				
Bad debts	16	(42)	16	(42)
Commission fees	(238)	(335)	(1,124)	(1,534)
Contingent rental leases on operating leases	(116)	(171)	(508)	(692)
Depreciation of property, plant and equipment	(384)	(459)	(1,585)	(2,101)
Depreciation of investment property	–	(15)	(34)	(58)
Depreciation of right-of-use assets	(3,376)	(3,609)	(13,793)	(14,421)
Employee benefits	(4,205)	(4,793)	(18,156)	(19,773)
Fixed rental expense on operating leases	(123)	(379)	(209)	(466)
Foreign exchange loss	(2)	(12)	(7)	1
Impairment of amounts due from a joint venture	–	–	–	(103)
Interest on bank loan	(12)	(49)	(122)	(245)
Interest on finance lease liabilities	(571)	(859)	(2,256)	(2,530)
Professional fee	4	(8)	(363)	(428)
Reversal of provision for restoration cost	46	–	59	21
Write-off of property, plant and equipment	(13)	(2)	(45)	(16)
Write back of/(impairment loss) on property, plant and equipment	491	(455)	491	(445)
Impairment loss on right-of-use assets	(886)	(263)	(641)	(448)
Fair value changes through profit or loss	464	–	464	–

Notes:

- 1 Government grants refer mainly to the Progressive Wage Credit Scheme and Senior Employment Credit.
- 2 Rental rebates refer to rental support or assistance disbursed from landlords and government.

5.2. Related party transactions

There are no material related party transactions apart from those disclosed elsewhere in the unaudited financial statements.

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6. Income tax (credit)/expense

The major components of income tax (credit)/expense for the 12 months ended 31 December 2024 and 2023 are:

	3 months ended 31 December		12 months ended 31 December	
	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
<i>Consolidated statement of comprehensive income:</i>				
<u>Current income tax</u>				
- (Over)/under provision in respect of previous years	-	(77)	1	3
<u>Deferred income tax</u>				
- Origination and reversal of temporary differences	-	(436)	-	(436)
Income tax (credit)/expense recognised in the consolidated statement of comprehensive income	-	(513)	1	(433)

7. Profit/(loss) per share

Basic profit/(loss) per share is calculated by dividing the Group's profit/(loss) for the period attributable to owners of the Company by the weighted average number of ordinary shares outstanding during the financial year.

The following table reflects the profit/(loss) and shares data used in the computation of basic and diluted loss per share for the 12 months ended 31 December 2024 and 2023:

	3 months ended 31 December		12 months ended 31 December	
	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
Profit/(loss) for the period attributable to owners of the Company	153	(423)	2,306	(1,348)
Weighted average number of ordinary shares for basic profit/(loss) per share computation ('000)	235,483	232,740	235,483	232,740
Effect of dilution:				
Warrants ('000)	82,220	58,410	82,220	58,410
Weighted average number of ordinary shares for diluted profit/(loss) per share computation ('000)	317,703	291,150	317,703	291,150
Basic profit/(loss) per share	0.06	(0.18)	0.98	(0.58)
Diluted profit/(loss) per share	0.05	(0.15)	0.73	(0.46)

The warrants that are outstanding have a dilutive effect as the average market price of the ordinary shares during the period exceeds the exercise price of the warrants.

8. Net Asset Value

	Group		Company	
	31 December 2024 (Unaudited)	31 December 2023 (Audited)	31 December 2024 (Unaudited)	31 December 2023 (Audited)
Net asset value (“NAV”) (\$'000)	(3,967)	(6,540)	9,283	10,550
Number of ordinary shares	247,391,008	234,389,008	247,391,008	234,389,008
NAV per ordinary share (cents)	(1.60)	(2.79)	3.75	4.50

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9. Property, plant and equipment

Group (Unaudited)	Computers	Furniture and fittings	Kitchen and restaurant equipment	Motor vehicle	Office equipment	Renovation	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Cost							
At 1 January 2023	1,844	2,827	3,407	148	32	14,797	23,055
Additions	112	78	141	101	–	1,341	1,773
Written-off	(339)	(136)	(299)	–	(17)	(1,449)	(2,240)
Disposal	–	(1)	–	(74)	–	–	(75)
Currency realignment	–	(2)	(1)	–	–	–	(3)
At 31 December 2023 and 1 January 2024	1,617	2,766	3,248	175	15	14,689	22,510
Additions	15	12	70	–	–	688	785
Written-off	(101)	(415)	(419)	–	–	(2,874)	(3,809)
Disposal	(18)	(231)	(131)	–	–	(8)	(388)
Currency realignment	–	(1)	(1)	–	–	–	(2)
At 31 December 2024	1,513	2,131	2,767	175	15	12,495	19,096
Accumulated depreciation:							
At 1 January 2023	1,693	2,331	3,113	127	27	10,782	18,073
Charge for the year	94	267	186	22	3	1,529	2,101
Written-off	(338)	(135)	(291)	–	(17)	(1,443)	(2,224)
Disposal	–	(1)	–	(74)	–	–	(75)
Impairment loss	–	–	–	–	–	445	445
Currency realignment	–	(2)	(1)	–	–	–	(3)
At 31 December 2023 and 1 January 2024	1,449	2,460	3,007	75	13	11,313	18,317
Charge for the year	97	188	106	24	–	1,170	1,585
Written-off	(101)	(408)	(411)	–	–	(2,844)	(3,764)
Disposal	(18)	(231)	(131)	–	–	(8)	(388)
Impairment loss	–	–	–	–	–	(491)	(491)
Currency realignment	–	(1)	(1)	–	–	–	(2)
At 31 December 2024	1,427	2,008	2,570	99	13	9,140	15,257

9. Property, plant and equipment (Cont'd)

Group (Unaudited)	Computers \$'000	Furniture and fittings \$'000	Kitchen and restaurant equipment \$'000	Motor vehicle \$'000	Office equipment \$'000	Renovation \$'000	Total \$'000
<i>Net carrying amount:</i>							
At 31 December 2024	86	123	197	76	2	3,355	3,839
At 31 December 2023	168	306	241	100	2	3,376	4,193

10. Right-of-use assets and lease liabilities

Group as a lessee

The Group has lease contracts for restaurant premises and residential apartments/co-living premises used in its operations. The Group's obligations under its leases are secured by the lessors' title to the leased assets. There are several lease contracts that include extension and termination options and variable lease payments, which are further discussed below.

The Group also has certain leases with lease terms of 12 months or less and leases with low value. The Group applies the 'short-term lease' and 'lease of low-value assets' recognition exemptions for these leases.

The Group leases motor vehicle to render logistic services.

Set out below are the carrying amounts of right-of-use assets recognised and the movements during the period:

Group (Unaudited)	Restaurant premises \$'000	Residential apartments and co-living hotels \$'000	Total \$'000
At 1 January 2023	16,404	16,399	32,803
Additions	2,441	2,853	5,294
Impairment charge	(360)	(88)	(448)
Charge for the period	(9,508)	(4,913)	(14,421)
Early termination of leases	(672)	–	(672)
Lease modification	5,018	186	5,204
Currency realignment	5	–	5
At 31 December 2023 and 1 January 2024	13,328	14,437	27,765
Additions	13	423	436
Impairment charge	(475)	(166)	(641)
Charge for the period	(8,737)	(5,055)	(13,792)
Early termination of leases	–	(73)	(73)
Lease modification	7,914	151	8,065
At 31 December 2024	12,043	9,717	21,760

10. Right-of-use assets and lease liabilities (Cont'd)

Set out below are the carrying amounts of lease liabilities and the movements during the period:

	31 December 2024 \$'000 (Unaudited)	31 December 2023 \$'000 (Audited)
At 1 January	34,020	39,476
Additions	423	5,313
Accretion of interest	2,256	2,530
Payments	(17,651)	(17,880)
Early termination of leases	(76)	(730)
Lease modification	8,040	5,307
Currency realignment	–	4
At 31 December	<u>27,012</u>	<u>34,020</u>
Current	12,765	14,973
Non-current	14,247	19,047
At 31 December	<u>27,012</u>	<u>34,020</u>

During the financial period ended 31 December 2024, the Group had early terminated/extended various leases as a result of portfolio management. Consequent to the early termination/extension, the difference between the carrying value of right-of-use assets and the corresponding lease liabilities amounting to a gain of \$28,000 (31 December 2023: loss of \$45,000) was recorded within the “Other gains/(expenses)” line item of profit or loss.

The Group has several lease contracts that include extension and termination options. These options are negotiated by management to provide flexibility in managing the leased-asset portfolio and align with the Group’s business needs. Management exercises significant judgement in determining whether these extension and termination options are reasonably certain to be exercised.

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11. Provision

Provision for restoration costs refer to the estimated cost to reinstate the leased restaurant premises and co-living hotels to their original state upon the expiration of the lease terms.

Movements in provision for restoration costs:

	31 December 2024 \$'000 (Unaudited)	31 December 2023 \$'000 (Audited)
At 1 January	1,109	1,054
Additions	123	202
Reversal	(59)	(21)
Utilisation	(334)	(137)
Discount rate adjustment	6	11
At 31 December	<u>845</u>	<u>1,109</u>
Current	192	393
Non-current	653	716
At 31 December	<u>845</u>	<u>1,109</u>

12. Loans and borrowings

	31 December 2024 \$'000 (Unaudited)	31 December 2023 \$'000 (Audited)
Amount repayable in one year or less, or on demand		
Bank loans ⁽¹⁾	1,656	3,284
Financing arrangement ⁽²⁾	15	15
Amount repayable after one year		
Bank loans ⁽¹⁾	–	656
Financing arrangement ⁽²⁾	43	58
At 31 December	<u>1,714</u>	<u>4,013</u>

There are no unsecured loans and borrowings as at 31 December 2024 and 2023.

Details of any collateral:

- 1) The remaining bank borrowings of \$1.7 million repayable in one year or less, or on demand, are secured by continuing guarantees by the Company and certain subsidiaries.
- 2) The financing arrangement is for a hire purchase of a motor vehicle. It is repayable over 60 equal monthly instalments commencing in November 2023 and bears interest at 3.68% per annum. The obligations under financing arrangement are secured by a charge over the motor vehicle and a personal guarantee from a director of the Group.

13. Share capital

	31 December 2024		31 December 2023	
	No. of shares '000 (Unaudited)	\$'000 (Unaudited)	No. of shares '000 (Audited)	\$'000 (Audited)
Issued and fully paid ordinary shares				
At 1 October and 1 January	234,626	8,326	232,481	8,283
Issuance of new shares arising from rights issue of warrants	12,765	255	1,908	38
At 31 December	<u>247,391</u>	<u>8,581</u>	<u>234,389</u>	<u>8,321</u>

On 9 October 2023, the Company issued 232,481,008 warrants at an issue price of S\$0.001 for each warrant. Each warrant carries the right to subscribe for one new ordinary share in the capital of the Company at an exercise price of S\$0.02 for each new share on the basis of one warrant for every one existing ordinary share in the capital of the Company. The exercise price and the number of warrants held by each warrant holder may be adjusted under certain terms and conditions being met. The warrants expire on 8 October 2028.

For FY2024, 13,002,000 warrants were converted to 13,002,000 new ordinary shares of the Company, bringing total of issued share capital to 247,391,008 ordinary shares (FY2023: 234,389,008 ordinary shares).

As at 31 December 2024, there were 217,571,008 outstanding warrants for which ordinary shares may be issued (as at 31 December 2023: 230,573,008 outstanding warrants).

Save for the above outstanding warrants, there were no outstanding convertibles or subsidiary holdings or treasury shares held by the Company as at 31 December 2024, 30 September 2024 and 31 December 2023.

There were no shares issued pursuant to the KGL Performance Share Plan for FY2024.

Subsequent to year end till to date, 3,076,900 new ordinary shares in the capital of the Company were allotted and issued pursuant to the exercise of 3,076,900 warrants

OTHER INFORMATION

1. Review

The condensed consolidated statement of financial position of Katrina Group Ltd. and its subsidiaries as at 31 December 2024 and the related condensed consolidated profit or loss and other comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the twelve-month period then ended and certain explanatory notes have not been audited or reviewed by the Company's auditors.

2. Review of performance of the Group

REVIEW OF FINANCIAL PERFORMANCE

For management reporting purposes, the Group is organised into business segments based on its services, and has two reportable operating segments as follows:

i. Food and Beverage (“**F&B**”) business (“**Group F&B**”) – specialises in multi-cuisine concepts and restaurant operations.

The Group has 21 restaurants (31 December 2023: 26) in Singapore and 0 restaurant (31 December 2023: 1) in Indonesia under 7 different F&B brands (31 December 2023: 6).

ii. Hospitality business (“**Group Hospitality**”) – offers fully furnished corporate serviced apartments under the brand of ST Residences and affordable luxurious co-living hotel under ST Signature.

The Group had approximately 18 units of service apartments (31 December 2023: 32), 1 block of service apartments (31 December 2023: 1) and 5 co-living hotels (31 December 2023: 5).

Revenue

The Group's revenue for the period ended 31 December 2024 was \$54.7 million, a decrease of \$4.6 million or 7.7% as compared to \$59.3 million for the period ended 31 December 2023 (“**FY2023**”). Revenue decreased by \$1.9 million or 12.8% from \$14.7 million for the 3 months ended 31 December 2023 (“**4Q2023**”) to \$12.8 million for the 3 months ended 31 December 2024. (“**4Q2024**”).

Revenue for the Group F&B decreased by \$3.9 million or 9.2% from \$42.1 million in FY2023 to \$38.2 million in FY2024. Revenue for the Group F&B decreased by \$1.7 million or 15.8% from \$10.9 million for 4Q2023 to \$9.2 million for 4Q2024. The decrease for both periods was attributed to the decrease in the number of outlets, as well as increased competition, during the period under review.

Revenue for Group Hospitality decreased by \$0.7 million or 4.1% from \$17.2 million in FY2023 to \$16.5 million in FY2024. Revenue for the Group Hospitality decreased by \$0.2 million or 4.4% from \$3.8 million for 4Q2023 to \$3.6 million for 4Q2024. The decrease was due to the weaker average room rates and occupancy due to increased competition as well as the reduction in the number of serviced apartments.

Cost of sales

Cost of sales mainly comprised food and beverages cost, payroll cost, depreciation of property, plant and equipment, depreciation of right-of-use assets, rental expense of premises and utilities expenses for both restaurants' outlets and residential apartments/co-living premises and other restaurant support costs.

The Group's cost of sales decreased by \$4.4 million or 8.6% from \$51.5 million in FY2023 to \$47.1 million in FY2024. Cost of sales decreased by \$1.3 million or 10.6% from \$12.4 million to \$11.1 million for 4Q2023 vis-à-vis 4Q2024.

Cost of sales for Group F&B decreased by \$4.3 million or 11.0% from \$39.7 million in FY2023 to \$35.4 million in FY2024. This was largely attributable to the decrease in:

- (a) food costs of \$0.9 million, which was in line with the decrease in revenue;
- (b) leases on short-term rental of \$0.1 million;
- (c) online platform commission of \$0.4 million, which was in line with the decrease in online revenue;
- (d) payroll expenses of \$1.3 million, which was in line with the decreased headcount resulting from the decrease in number of outlets;
- (e) utilities of \$0.3 million due to reduced number of outlets; and
- (f) depreciation of fixed assets and right-of-use assets of \$0.4 million and \$0.9 million respectively

Cost of sales for Group Hospitality decreased minimally by \$58,000 or 0.5% from \$11.8 million in FY2023 to \$11.7 million in FY2024. The decrease was largely due to the decrease in:

- (a) short-term rental expenses of \$0.3 million;
 - (b) impairment loss on property, plant and equipment of \$0.1 million; and
 - (c) decrease in credit card terminal charges of \$0.1 million;
- offset by increase in:
- (d) payroll cost of \$0.1 million;
 - (e) depreciation for right of use assets of \$0.1 million; and
 - (f) agent commission of \$0.2 million.

Cost of sales for Group F&B decreased by \$1.2 million or 12.6% from \$9.5 million in 4Q2023 to \$8.3 million in 4Q2024. This was largely attributable to the decrease in:

- (a) food costs of \$0.4 million, which was in line with the decrease in revenue;
- (b) online platform commission of \$0.1 million, which was in line with the decrease in online revenue;
- (c) payroll cost of \$0.3 million due to reduced headcount;
- (d) depreciation of right-of-use assets of \$0.2 million; and
- (e) utilities cost of \$0.1 million.

Cost of sales for Group Hospitality decreased by \$0.1 million or 3.4% from \$2.9 million in 4Q2023 to \$2.8 million in 4Q2024. The decrease was largely due to the decrease in (a) credit card terminal charges of \$23,000, (b) repair and maintenance expense of \$33,000, and (c) impairment loss on property, plant and equipment of \$28,000.

Gross profit

The Group recorded a gross profit of \$7.6 million for FY2024 (FY2023: \$7.8 million). Gross profit for 4Q2024 amounted to \$1.7 million (4Q2023: \$2.3 million). For FY2024, Group F&B and Group Hospitality reported a gross profit of \$2.8 million and \$4.8 million respectively. For 4Q2024, Group F&B and Group Hospitality reported a gross profit of \$0.9 million and \$0.8 million respectively.

Other income

Other income mainly relates to the government grants, which included Progressive Wage Credit Scheme (“WCS”) and Senior Employment Credit, as well as cash grants.

Other income increased by \$0.4 million or 29.1% from \$1.2 million in FY2023 to \$1.6 million in FY2024.

The increase was largely attributable to an increase in government grants of \$0.5 million, offset by the decrease in sponsorship received of \$0.1 million. Government grants had increased due to the increase in WCS of \$0.2 million, as well as grants from relevant government agencies of \$0.2 million.

Other income decreased by \$21,000 or 9.2% from \$228,000 in 4Q2023 to \$207,000 in 4Q2024.

The decrease was largely attributed to the decrease in income from sub-leasing right-of-use assets of \$40,000, decrease in rental rebate from landlords of \$26,000, miscellaneous decreases of \$40,000, offset by the increase in government grant of \$93,000.

Selling and distribution costs

The selling and distribution costs amounted to \$0.8 million for both FY2024 and FY2023, increasing slightly by \$12,000 or 1.5% from FY2023. For both 4Q2024 and 4Q2023, selling and distribution costs amounted to \$0.2 million, decreasing by \$6,000 or 2.6% from FY2023.

Administrative expenses

Administrative expenses decreased by \$0.7 million or 12.5% from \$6.1 million in FY2023 to \$5.4 million in FY2024 and \$0.4 million or 29.3% from \$1.5 million in 4Q2023 to \$1.1 million in 4Q2024.

The decrease of \$0.7 million for FY2024 was largely due to the decrease in payroll cost of \$0.4 million and professional fee of \$0.3 million. Professional fee decreased due to the reduction in accruals made for the legal fees to be incurred for the URA Investigation as there are no material developments on the matter which require the engagement of solicitors.

The decrease of \$0.4 million for 4Q2024 was largely due to the decrease in payroll cost pertaining to a lower headcount which was in line with the reduction in number of outlets.

Finance costs

Finance costs decreased by \$0.5 million or 16.4% from \$2.8 million in FY2023 to \$2.3 million in FY2024 and \$0.4 million or 41.8% from \$0.9 million in 4Q2023 to \$0.5 million in 4Q2024.

The decrease in finance costs was largely attributable to the decrease in interest on finance lease liabilities of \$0.3 million due to the reduction in number of outlets and decrease in interest on loans and borrowings, which was in line with the repayment of loans and borrowings.

Other gains/(expenses)

The Group recorded other gains of \$1.6 million in FY2024 vis-à-vis other expenses of \$1.1 million in FY2023. Other gains mainly relate to the gain on disposal of investment property of \$1.3 million, write back of impairment loss on property, plant and equipment of \$0.5 million and fair value gain through profit or loss arising from the recognition of a put option in Daily Beer Singapore Pte. Ltd. of \$0.5 million, offset by the increase in impairment loss on right-of-use assets of \$0.6 million. The put option can be exercised at any time till 31 October 2026.

The Group recorded a other gains of \$92,000 in 4Q2024 vis-à-vis other expenses of \$0.8 million in 4Q2023. This was mainly due to the write-back of impairment loss on property, plant and equipment of \$0.9 million and the fair value gain through profit or loss arising from the recognition of a put option in Daily Beer Singapore Pte. Ltd. of \$0.5 million, offset by the increase in impairment loss on right-of-use assets recognised in the 3 months period of \$0.6 million.

Share of loss from investment in a joint venture

The share of loss from investment in a joint venture of \$38,000 for 4Q2024 and \$10,000 for FY2024 relates to share of losses from Daily Beer Singapore Pte. Ltd..

Profit/(loss) for the period, representing profit/(loss) for the period attributable to owners of the Company

As a result of the aforementioned, the Group reported a net profit after tax of \$2.3 million in FY2024 vis-à-vis a net loss after tax of \$1.3 million in FY2023 and a net profit after tax of \$0.2 million in 4Q2024 vis-à-vis a net loss after tax of \$0.4 million in 4Q2023.

REVIEW OF FINANCIAL POSITION

Non-current assets

The Group's non-current assets decreased by \$6.7 million from \$36.8 million as at 31 December 2023 to \$30.1 million as at 31 December 2024.

This was mainly due to the decrease in right-of-use assets of \$6.0 million. Right-of-use assets had decreased due to the depreciation of \$13.8 million, impairment charge of \$0.6 million, offset by additions of \$0.4 million and lease modification of \$8.0 million.

Investment property decreased by approximately \$0.7 million due to the disposal of investment property during the year.

Property, plant and equipment decreased by \$0.3 million due to the depreciation charge of \$1.6 million, offset by the additions of \$0.8 million and impairment loss of \$0.5 million.

Refundable deposits (non-current) decreased by \$0.5 million. Please refer to the explanation in Current assets for the analysis on the movement in refundable deposits (non-current).

The decreases above were offset by an increase of \$0.4 million pertaining to investment in Daily Beer Singapore Pte. Ltd., as well as an increase of \$0.5 million in derivative instrument arising from the recognition of a put option in Daily Beer Singapore Pte. Ltd..

Current assets

The Group's current assets decreased by \$1.6 million from \$6.7 million as at 31 December 2023 to \$5.1 million as at 31 December 2024.

This was mainly due to (a) a decrease in cash and bank balances of \$1.2 million; (b) a decrease in prepayments of \$0.3 million; (c) a decrease of refundable deposits (current) of \$0.2 million; and (d) a decrease in amount due from a joint venture of \$0.1 million. The decrease was offset by an increase in other receivables of \$0.2 million.

Overall, refundable deposits (current and non-current) have decreased by \$0.7 million which is in line with the decrease in number of outlets and service apartments, as well as the reduced number of months of refundable deposits required by the landlords upon renewals.

Other receivables have increased by \$0.2 million due to the increase in security deposits receivable from landlords following the termination of the lease agreements.

Current liabilities

The Group's current liabilities decreased by \$5.4 million from \$29.5 million as at 31 December 2023 to \$24.1 million as at 31 December 2024.

This was mainly due to a:

- decrease in lease liabilities (current) of \$2.2 million;
- decrease in loans and borrowings (current) of \$1.6 million;
- decrease in other liabilities of \$0.6 million;
- decrease in trade and other payables of \$0.7 million;
- decrease in provision of \$0.2 million for restoration costs.

Trade and other payables had decreased mainly due to (a) decrease in salary and CPF payables of \$0.3 million, (b) decrease in other creditors of \$0.3 million.

Payroll related accruals and payables had reduced in line with the reduction in staff as a result of outlets closure.

The decrease in other liabilities was mainly due to the decrease in accrued operating expenses which was in line with the decrease in number of outlets.

Please refer to explanation in non-current liabilities for the analysis on the movement in lease liabilities (current) and loans and borrowings (current).

Non-current liabilities

The Group's non-current liabilities decreased by \$5.6 million from \$20.6 million as at 31 December 2023 to \$15.0 million as at 31 December 2024.

This was mainly due to (a) the decrease in loans and borrowings (non-current) of \$0.7 million; and (b) the decrease in lease liabilities (non-current) of \$4.8 million.

Overall, loans and borrowings (current and non-current) had decreased by \$2.3 million due to the repayment of loans and borrowings.

Overall, total lease liabilities (current and non-current) had decreased by \$7.0 million, largely due to the lease payments made of \$17.7 million, offset by the addition of new lease liabilities of \$0.4 million, accretion of interest of \$2.3 million and lease modification of \$8.0 million during the period under review.

Shareholders' equity

The Group's shareholders' equity increased by \$2.6 million from negative \$6.5 million as at 31 December 2023 to negative \$3.9 million as at 31 December 2024. The increase resulted from the net profit generated during the period offset by the increase in share capital of \$0.3 million due to the issuance of shares pursuant to the exercise of warrants.

Negative working capital

As at 31 December 2024, the Group was in a negative working capital position of \$19.0 million (31 December 2023: \$22.8 million). The management has prepared cash flow forecasts which was derived from the financial budget to assess whether the Group can meet its debt obligations as and when they fall due.

The Board of Directors of the Company (the "**Board**") noted that the controlling shareholder has provided a letter of undertaking to provide the financial support to the Group, as and when required, for 15 months from 26 February 2025 to enable the Group to meet its liabilities as and when the Group is unable to meet such liabilities. Also, the Group would continue to implement various strategic measures to contain cost and preserve cash liquidity.

REVIEW OF CASH FLOWS

The Group's net cash generated from operating activities in FY2024 was \$18.1 million. This was mainly due to operating cash flows before changes in working capital of \$18.4 million and working capital outflow of \$0.3 million.

Net cash received from investing activities amounted to \$0.6 million, mainly arising from proceeds from disposal of investment property of \$2.0 million, offset by the purchase of plant and equipment of \$0.7 million, investment in joint venture of \$0.4 million and cash paid for restoration cost of \$0.3 million.

Net cash used in financing activities of \$18.9 million was mainly due to the principal payment of lease payments of \$17.7 million, repayment of loan and borrowings and interest of \$2.4 million, offset by the reduction in cash restricted in use (earmarked for repayment of bank loans) of \$1.0 million and proceeds from issuance of shares of \$0.3 million.

The cash and cash equivalents for the period decreased by \$0.2 million compared to 31 December 2023.

3. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.

Not applicable.

4. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.

Portfolio rejuvenation and business consolidation will continue to be the key focus of the Group F&B. The Group will be looking to channel resources to new outlets or better performing outlets and close non-performing outlets. Refreshment of our brand portfolio with brand extensions, removal of non-performing brands, as well as facelifts to some of our existing outlets will be carried out.

We will also continue to focus on improving the profitability of individual stores within our current network, as well as look for new brands to bring to the Singapore market.

In Singapore, turnover of Restaurants and Fast-Food Outlets increased by 0.2% and 1.4% respectively in December 2024 on a year-on-year basis.¹

For the Group Hospitality, Singapore's tourism sector continued its strong recovery in 2024. For 2025, international visitor arrivals are expected to hit between 17 million and 18.5 million, bringing in approximately S\$29 billion to S\$30.5 billion in tourism receipts.² This augurs well for the Group's hotels and service apartments.

In relation to the URA Investigation (the "Investigation"), the Investigation is still ongoing and no charges have been filed against the Group nor any of the Relevant Persons. The Group is cooperating with the authorities on the Investigation and will make further announcement(s) as and when there are material developments on this matter.³

¹ <chrome-extension://efaidnbmninnibpcajpcglclefindmkaj/https://www.singstat.gov.sg/-/media/files/news/mrsdec2024.ashx>

² <https://www.channelnewsasia.com/singapore/stb-tourism-record-receipts-singapore-2024-visitor-arrivals-increased-4915331>

³ Please refer to announcements dated 25 June 2022 and 22 June 2022 for further details.

The Group remains committed to grow its business, while prudently managing costs to navigate a challenging macro environment.

5. Dividend information

No dividend has been declared to conserve cash for operational purposes.

There was no dividend declared or recommended in the previous corresponding period.

6. Interested persons transactions

The Group has not obtained a general mandate from shareholders of the Company for interested person transactions. There were no interested persons transactions for FY2024.

7. Other transactions by the Executive Directors

The following are balances as at 31 December 2024 with the Executive Directors:

	<u>(\$'000)</u>
Alan Goh Keng Chian (“AG”) and Madaline Catherine Tan Kim Wah (“CT”) providing indemnity to the insurers to issue letters of guarantee in lieu of security bonds to the Ministry of Manpower for engagement of foreign workers ¹	170
AG, who is also the controlling shareholder, has provided a letter of undertaking to financially support the Group as and when required ²	1,191
Loan from CT, who is also a controlling shareholder ²	<u>445</u>

Notes:

¹ The Executive Directors are not paid for providing the indemnity.

² Amount is non-interest bearing.

8. Utilisation of proceeds⁴

As at the date of this announcement:

(a) the Subscription Proceeds of \$232,481 were fully allocated and utilised in FY2023.

(b) the total Exercise Proceeds received from the exercise of Warrants to date is \$359,738.

Use of Exercise Proceeds	Allocated \$	Utilised \$	Balance \$
To fund business expansion in the F&B and hospitality businesses	251,817	236,613	15,204
General working capital for the Group – payment of trade creditors	107,921	101,405	6,516

The use of proceeds is in accordance with the stated use and is in accordance with the percentage allocated in the Offer Information Statement of the Company.

⁴ Unless otherwise defined, capitalised terms used herein shall have the same meaning as ascribed thereto in the Company’s Offer Information Statement dated 18 September 2023.

9. Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(10) in the format below. If there are no such persons, the issuer must make an appropriate negative statement.

Name	Age	Family relationship with any director and/or substantial shareholder	Current position and duties, and the year the position was first held	Details of changes in duties and position held, if any, during the year
Goh Shen Shu Donovan	36	Son of the Chief Executive Officer and the Executive Director	Business Development Director in a wholly-owned subsidiary of the Company since 1 January 2024. Area of responsibilities are: Lead strategic initiatives, identify growth opportunities and further enhance our market presence in Group Hospitality brands locally and overseas.	Re-designated from Business Development Manager to Business Development Director.
Krystal Goh Shu Yan	32	Daughter of the Chief Executive Officer and the Executive Director	Business Development Director in a wholly-owned subsidiary of the Company since 1 January 2024. Area of responsibilities are: Lead strategic initiatives, identify growth opportunities and further enhance our market presence in F&B brands locally and overseas.	Re-designated from Marketing Manager to Business Development Director.

10. Disclosure of acquisition (including incorporations) and sale of shares under Catalyst Rule 706A

The Company has capitalised \$1.72 million of amount owing from SOPL 1 Pte. Ltd. on 16 December 2024, hence increasing the share capital of SOPL 1 Pte. Ltd.'s to \$2.0 million.

Share capital for Daily Beer Singapore Pte. Ltd. has been increased from \$400,000 to \$500,000 on 10 January 2025.

11. Confirmation that the issuer has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7H) under Rule 720(1)

The Company has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7H) under Rule 720(1) of Section B of the SGX-ST Listing Manual.

On behalf of the Board

Alan Goh Keng Chian
Executive Chairman and CEO

Madaline Catherine Tan Kim Wah
Executive Director

28 February 2025